ANONYMOUS ON-LINE CASH MANAGEMENT SYSTEM

Background of the Invention

Field of the invention

The present invention generally relates to an on-line cash transfer system. More particularly, the present invention relates to a system for purchasing goods and/or services wherein the source of the funds utilized for the on-line purchase is anonymous and cannot be directly traced to the owner of the funds.

Description of related art

Commerce executed on the Internet or on-line is exponentially increasing day by day. However, it is speculated that commerce conducted via the Internet or on-line is in its infancy and will grow substantially larger in coming years.

Much of the apprehension or reluctance of on-line users to make purchases via the Internet is the fear or concern associated with providing credit card or other personal information (e.g., names, numbers, expiration dates, etc.) over the Internet. Further, many on-line purchasers are concerned about the establishment of a paper record documenting the goods and/or services that they purchase. Although most on-line providers of goods and/or services offer secured means for obtaining their products, a large section of the on-line using public remains apprehensive to provide such information and make purchases in this manner.

One prior art method of anonymous electronic cash management is disclosed in U.S. Patent No. 6,014,646 that issued January 11, 2000 to Vallee et al. Vallee et al. discloses a payment method whereby a customer withdraws from his or her bank a sum in the form of "blind" electronic coins or cash and deposits the latter in one or more anonymous accounts located in a kiosk. The customer may

then use the account or accounts for paying suppliers of goods or services. Accordingly, a supplier obtains the guarantee of being paid and the customer remains anonymous in the sense that his identity is not linked with his or her payments.

A second anonymous on-line cash management method was disclosed by the DigiCash Corp. In the Digicash method, a consumer deposits funds in an on-line account by mailing a credit card voucher of a check to an on-line bank. E-cash tokens are then exchanged for traditional currency and a requested amount of electronic money is transferred from an on-line bank account to the consumer's computer hard drive. The consumer may then use their account numbers to electronically purchase goods and services. Following the purchase transaction, the on-line merchant that receives the e-cash token may redeem them at an on-line bank account.

While each of the above methods appears to disclose an anonymous means of funds transfer, a close review indicates that in each case some form of document (i.e., a paper trail) is created that would facilitate tracking or monitoring of the entire transaction. Accordingly, there exists a need for a new method of assisting the anonymous on-line purchase of goods and/or services that eliminates the drawbacks and apprehensions produced by the current method of conducting on-line purchases.

Brief Summary of the Invention

The present invention provides a system for facilitating the anonymous transfer of funds between an on-line customer of Internet or on-line goods and/or services and an on-line merchant of those goods and/or services. In the system of

the present invention, a third party ("a Depository"), such as a corporation or bank, establishes a bank or reserve wherein a potential on-line customer opens an account by handing the Depository monies in the form of cash.

Funds transferred to the Depository are converted into an electronic or on-line form of currency and placed in a numbered account. The Depository then issues the potential on-line customer a serial number corresponding to the account number set up with the Depository. The account has a fixed amount corresponding to the funds given to the Depository by the customer. For example, if the customer provides the Depository with five twenty dollar bills ($100.00), the customer may request five account numbers each having an assigned value of twenty dollars. Notably, because the customer's transaction with the Depository preferably involves a direct cash transfer, no record of the customer's identity exists or is created. Upon receipt of the account numbers, the customer may now begin to shop on-line for goods and services.

Upon locating a merchant offering desirable on-line goods or services, the customer orders said goods or services and transmits an account number(s) to the on-line merchant. After receiving the account number(s) from the customer, the merchant transmits the account number to the Depository for authentication. Following authentication of the account number, an amount corresponding to the account number is transmitted into a bank account of the on-line merchant and the transaction with the customer is completed.

Brief Description of the Several Views of the Drawings

Reference will now be had to the attached drawings wherein like reference numerals refer to like parts throughout the specification.

Figure 1 is a flow chart of a preferred embodiment of the present invention.

Detailed Description of the Invention

The present invention provides a system for facilitating the anonymous transfer of funds between an on-line customer of Internet or on-line goods and/or services and an on-line merchant of those goods and/or services. In the system of the present invention, a third party (a "Depository"), such as a corporation or bank, establishes a depository wherein a potential on-line customer opens an account by handing the Depository monies in the form of cash. The Depository may include a plurality of components such as central computer Server, bank(s), retail establishments and the like. Alternatively, the Depository includes a device similar to automatic teller machine (ATM) that a customer can use cash or a credit card to convert funds into anonymous currency having a serial number associated therewith.

The Depository components are interlinked over a secured private computer network. Alternatively, a public network, such as the Internet and other examples well known in the art may also be used.

Funds transferred to the Depository by the customer are converted into an electronic or on-line form of currency and placed in a numbered account. The Depository then issues the potential on-line customer a serial number corresponding to the account number set up with the Depository. The account has a fixed amount corresponding to the value of funds given to the Depository by the customer. Therefore, as will be described below, an on-line merchant is prevented from charging an amount in excess of the amount used to set up the account. The

serial number could be the same number as the account number but does not necessarily have to be the same.

The conversion of funds into serial numbers according to the present invention also provides a method to prevent underage on-line or Internet users from accessing particular websites. Specifically, the Depository may demand proof of age from the customer and, if the customer's age was less than, for example, the age of majority, the Depository could issue the customer serial numbers indicative of an underaged user (status). These age indicative serial numbers are identifiable by on-line or Internet merchants to prevent access to a website or decline a purchase. Alternatively, the Depository could simply refuse to convert the funds of an underaged customer.

The Depository preferably generates large quantities of unique serial numbers such that the serial numbers are used and discarded by the customers. Since the serial numbers are preferably never used again, it is very difficult for serial numbers to be fraudulently obtained and/or used.

The Depository charges the customer a fee for its service in generating the account numbers and managing any subsequent on-line purchases. For example, a fee may be charged for setting up the account, for each transaction conducted using the account, a flat rate for the amount of funds converted into the on-line form of currency, or any combination thereof.

Upon receipt of the serial numbers, the customer contacts an on-line merchant via the Internet or similar electronic network from which they wish to purchase goods and/or services. The customer subsequently places their order

with the on-line merchant and pays for the goods and/or services by providing to the merchant their serial number with the Depository.

Following receipt of the serial number from the merchant, the Depository transfers the on-line funds to the on-line merchant in satisfaction of the sale consummated between the customer and the merchant. Accordingly, no one, with the exception of the customer, would have access to any information regarding the source of the funds used for the on-line purchase. Therefore, unlike credit card purchases, there would be no record regarding the nature or the amount of on-line purchases made by the customer. This type of funds transferring system would be especially useful for those individuals desirous of purchasing, for example, adult type goods and/or services via the Internet thereby preserving the customer's right to privacy.

Once the funds transferred into the account with the Depository have been exhausted, the account could then be allowed to simply expire. Alternatively, the account could remain open for future use.

As seen in Fig. 1, there is shown a preferred embodiment of the system of the present invention. In the preferred embodiment the Depositary comprises a plurality of elements including: an account Seller and the Seller's bank; a central bank, and; a computer Server that transfers the necessary amounts from the various accounts and generates the requisite account serial numbers. The various Depositary components preferably communicate via a secured private computer network. Alternatively, a public network, such as the Internet, may be used.

In a first step 10, a customer provides an account Seller with an amount of money "X". Preferably, the money provided to the Seller is in the form of cash.

Credit cards and other forms of monetary transfer may also be utilized but are disfavored as these types of transactions are easily documented. The Seller is preferably a retail store such as a corner drugstore or shopping mall establishment. However, any establishment having a computer terminal and the capability to access the network may operate as a Seller.

In the next step 20, upon receipt of monies from the customer the Seller electronically notifies a central computer Server of the amount Seller has received from the customer. In the next step 30, the Server transfers an amount of money (corresponding to the amount "X" that Seller received from the customer) from a bank account of Seller to a central bank account.

Following the transfer of funds, in the next step 40, the Server generates a series of random account numbers and assigns to each account number an amount requested by the customer. For example, if the customer provides a Seller with five twenty dollar bills ($100.00), the customer may request five account numbers each have an assigned value of twenty dollars. In the next step 50, the Server electronically transmits the account number(s) with corresponding monetary amounts to the Seller who, in the next step 60, provides the customer with the account information.

Preferably, the seller Depository provides the customer with a computer readable (CD-ROM, floppy disk, etc.) output/form which includes all of their serial numbers disposed thereon. Alternatively, the customer is provided with a printout of his or her account numbers. A computer readable format for the serial numbers eliminates the need for the customer to personally key in potentially large serial numbers, thus eliminating any possibility for customer/user error.

Additionally, the provision of a computer readable form such as a disk to the customer provides an additional point of revenue for the Depository. For example, the Depository may offer the opportunity to place advertising or other additional information on disk, etc. provided to the customer and charge a fee to a potential advertiser.

The customer may now begin to shop on-line for goods and services. After locating a merchant offering desirable on-line goods or services, the customer takes the next step 70 and orders said goods or services and transmits an account number(s) to the on-line merchant. Upon receipt of the account number(s), in the next step 80, the merchant transmits the account number(s) to the Server for authentication. Following authentication of the account number, in the next step 90, an amount of monies contained in the numbered account number (but in no case greater than the amount of monies contained in the account) are transmitted, in step 100, into a bank account of the on-line merchant and the transaction with the customer is completed.

Therefore, unlike credit card purchases, there would be no record regarding the nature or the amount of purchases made by the customer. The present system would be especially useful for those individuals desirous of purchasing, for example, adult type goods and/or services via the Internet thereby preserving the customer's privacy.

Having described my invention, those skilled in the art will be aware of other additional embodiments that do not depart from the scope of the invention and the appended claims.

I Claim: